

MINUTES OF MEETING
STATE OF WISCONSIN
TEACHERS RETIREMENT BOARD

Thursday, December 12, 2002

Sheraton Madison Hotel
706 John Nolen Drive
Madison, Wisconsin

BOARD PRESENT:

Wayne McCaffery, Chair
Bob Niendorf, Vice-Chair
Nancy Thompson, Secretary
Ted Bratanow
Reginald Delwiche
Suzanne Doemel
Don Ganther
Irena Macek
Lon Mishler
Gerald Pahl
Dennis Pratt
James Tripp
Dave Wiltgen

BOARD NOT PRESENT: None

PARTICIPATING STAFF:

Eric Stanchfield, Secretary
Dave Mills, Deputy Secretary
Julie Reneau, Administrator, Division of Retirement Services
Christina Licari, Board Liaison
Linda Owen, Division of Retirement Services
Pam Henning, Director, Office of Strategic Services
Shelly Schueller, Office of the Secretary

OTHERS PRESENT:

Valerie Bailey-Rihn, Quarles & Brady, LLP
James Balgow, Minnesota National Life
Jane Hamblen, Department of Justice
Peg Narloch, Department of Employee Trust Funds
Linda Owen, Department of Employee Trust Funds
Mary Pierick, Department of Employee Trust Funds
Vicki Poole, Department of Employee Trust Funds

Mr. McCaffery called the meeting to order at 12:30 p.m.

CONSIDERATION OF MINUTES OF SEPTEMBER 26, 2002, MEETING

Motion: Ms. Macek moved approval of the minutes of September 26, 2002, meeting as submitted by staff. Mr. Pratt seconded the motion, which passed without objection on a voice vote.

ELECTION COMMITTEE

Ms. Henning asked for two volunteers to serve with her on the Election Committee to review questionable ballots and certify the results for the upcoming Teachers Retirement Board election. The committee will meet on the morning of March 13, 2003, immediately preceding the March 2003 Board meetings. Ms. Doemel and Mr. Pratt volunteered to serve on the committee.

Ms. Henning noted that a second call for nominations will be announced in the January *Trust Fund News* for the technical college seat on the Teachers Retirement Board. No completed nomination packets were received by the Department for this seat during the previous call for nominations.

ADMINISTRATIVE RULES

Scope Statement: Roll-ins and Buybacks

Ms. Owen requested the Board's approval of the scope statement for amending the creditable service purchase rule. Members were presented with the full scope statement during the Joint Informational meeting held earlier in the day. There were no additional questions from the Board members regarding the scope statement.

Motion: Ms. Thompson moved approval of the scope statement. Ms. Doemel seconded the motion, which passed without objection on a voice vote.

Clearinghouse Rule: Variable Participation

Ms. Schueller requested the Board's approval of the final administrative rule on variable participation. Members were presented with the full final administrative rule and a summary of the rule document during the Joint Informational meeting held earlier in the day. There were no additional questions from the Board members regarding the administrative rule.

Motion: Mr. Pratt moved approval of Clearinghouse Rule #CR02-126. Ms. Thompson seconded the motion, which passed without objection on a voice vote.

MISCELLANEOUS

March 2003 Meeting Dates

Ms. Reneau requested the Board's approval to change the March 2003 meeting dates from March 20-21, 2003, to March 13-14, 2003.

Motion: Mr. Pratt moved approval of the new meeting dates for March 2003. Ms. Doemel seconded the motion, which passed without objection on a voice vote.

Pending Appeals Status Report

Included for the Board's information. Ms. Reneau noted that the total number of appeals continues to decline; the Teachers Retirement Board currently has seven pending appeals.

State of Wisconsin Investment Board Directors Summit Presentation

Mr. Delwiche presented to the Board a summary of the State of Wisconsin Investment Board (SWIB) Directors Summit, which he recently attended. Mr. Delwiche shared his reasons for attending the conference and the impressions he had upon its conclusion. A main point of interest at the conference was issues regarding corporate governance. A packet of handouts was provided for Board members.

DISABILITY STATISTICS SUMMARY REPORT

Included for the Board's information. Ms. Schueller reviewed the *WRS Retirement Benefit and WRS Disability Benefit Annuity Statistical Report*. Ms. Schueller noted that November data was not yet available and would be provided to the Board as a revised report at the March 2003 meeting. In addition, Ms. Schueller pointed out a small correction to the September and October data. This edit will also be included in the revised report at the March 2003 meeting. Ms. Schueller informed the Board that a year-end summary of statistical data would also be provided at the March 2003 meeting.

MOTION TO CONVENE IN CLOSED SESSION

Mr. McCaffery announced that the Teachers Retirement Board would convene in closed session pursuant to the exemptions contained in Wis. Stat. § 19.85(a) for quasi-judicial deliberations. Ms. Licari was invited to remain during quasi-judicial deliberations.

Motion: Mr. Niendorf moved to convene in closed session pursuant to the exemptions contained in Wis. Stat. § 19.85(a) for quasi-judicial deliberations. Mr. Wiltgen seconded the motion, which passed on a roll call vote.

Members voting aye: T. Bratanow, R. Delwiche, S. Doemel, D. Ganther, I. Macek, W. McCaffery, L. Mishler, B. Niendorf, G. Pahl, D. Pratt, N. Thompson, J. Tripp, D. Wiltgen.

Members voting nay: none

The Teachers Retirement Board convened in closed session at 12:55 p.m. and reconvened in open session at 1:15 p.m.

ANNOUNCEMENT OF ACTION TAKEN ON BUSINESS DELIBERATED DURING CLOSED SESSION

Ms. Hamblen announced that the Board took the following action during the closed session:

- **Appeal 99-019-TR.** The Board voted to reject the hearing examiner's proposed decision, reject the Department's determination and remand the decision to the Department with instructions to grant the benefit.

ADJOURNMENT

Motion: Mr. Pahl moved adjournment. Ms. Thompson seconded the motion, which passed without objection on a voice vote.

The Teachers Retirement Board adjourned at 1:16 p.m.

Date Approved: _____

Signed: _____

Nancy Thompson
Secretary